

August 09, 2012 01:02 PM Eastern Daylight Time

Exelon Agrees to Sell Three Maryland Coal Plants to Raven Power Holdings LLC

Agreement delivers on Exelon's merger commitment to divest plants and preserve jobs

CHICAGO--(BUSINESS WIRE)--Exelon today announced that it has reached an agreement to sell its three Maryland coal-fired power plants to Raven Power Holdings LLC ("Raven Power"), a new portfolio company of Riverstone Holdings LLC, fulfilling its commitment to divest the plants as part of its merger with Constellation. Under the agreement, Raven Power will maintain jobs with comparable pay and benefits for employees at the plants.

"The sale of these plants marks another important milestone in meeting our merger commitments," said Christopher M. Crane, Exelon's president and CEO. "Until the divestiture is completed, Exelon will continue to run these plants as we have in the past and in compliance with all regulations, and we look forward to a smooth and successful transition to the new owner."

The three plants, known collectively as Maryland Clean Coal, include:

Brandon Shores, Pasadena, Md.: 1,273 MW of installed capacity, two units (coal)

C.P. Crane, Middle River, Md.: 399 MW installed capacity, three units (coal and oil)

H.A. Wagner, Pasadena, Md.: 976 MW installed capacity, five units (coal, natural gas and oil)

Raven Power will pay approximately \$400 million for the plants and related assets, subject to several closing adjustments. In addition, the sale will generate approximately \$205 million in cash tax benefits, with the majority of that amount realized in 2012 and 2013. Exelon will record a pre-tax loss estimated to be approximately \$275 million in the third quarter to reflect the difference between the estimated sale price and the carrying value of the plants. Exelon will determine the optimal use of the sale proceeds through its normal planning process.

"The Maryland Clean Coal plants have an experienced workforce and a strong record of safe and environmentally sound operation. We are very pleased to be adding these plants to our portfolio," said Pierre Lapeyre and David Leuschen, Co-Founders of Riverstone.

The sale was required by the Federal Energy Regulatory Commission (FERC), U.S. Department of Justice (DOJ) and the Maryland Public Service Commission as part of Exelon's merger agreement. The transaction, which is subject to approval by FERC and DOJ, is expected to close in the fourth quarter of 2012.

Since 2008, the three coal plants have undergone major environmental upgrades, including investment in a new scrubber at Brandon Shores that makes it one of the cleanest coal plants in the nation. The

plants comply with the stringent Maryland Healthy Air Act and are well positioned to meet pending Environmental Protection Agency (EPA) emissions standards.

Citi and Goldman Sachs & Co. acted as financial advisors to Exelon, and Morgan, Lewis & Bockius served as legal counsel. Vinson & Elkins served as legal counsel to Riverstone.

Exelon Corporation (NYSE: EXC) is the nation's leading competitive energy provider, with approximately \$33 billion in annual revenues. Headquartered in Chicago, Exelon has operations and business activities in 47 states, the District of Columbia and Canada. Exelon is the largest competitive U.S. power generator, with approximately 35,000 megawatts of owned capacity comprising one of the nation's cleanest and lowest-cost power generation fleets. The company's Constellation business unit provides energy products and services to approximately 100,000 business and public sector customers and approximately 1 million residential customers. Exelon's utilities deliver electricity and natural gas to more than 6.6 million customers in central Maryland (BGE), northern Illinois (ComEd) and southeastern Pennsylvania (PECO).

About Riverstone Holdings LLC

Founded in 2000, Riverstone Holdings LLC is an energy and power-focused private equity firm with over \$22 billion of equity capital raised across seven investment funds and co-investments, including the world's largest renewable energy fund. Riverstone conducts buyout and growth capital investments in the midstream, exploration & production, oilfield services, power and renewable sectors of the energy industry. With offices in New York, London and Houston, the firm has committed approximately \$18.9 billion to 88 investments in North America, Latin America, Europe and Asia. For more information, visit www.riverstonellc.com.

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